RESULTS EMERGENCY HEARING AGENDA November 28, 2006

1. DOCKET NO. 11-9-06-1

Emergency Petition by LAND AND NATURAL RESOURCE DEVELOPMENT, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order approving an exception to Rule 3(b) of the Special Field Rules for the Coal Fire Creek Field, Pickens County, Alabama, for the exceptional location of the proposed Brookshire 20-1 #2 Well, Permit No. 14934. Petitioner proposes to drill said well on a 320-acre unit consisting of the N/2 of Section 20, Township 18 South, Range 14 West, Pickens County, Alabama, at a location 1,060 feet from the North line and 280 feet from the East line of said Section 20. Said Rule 3(b) requires that wells drilled in said Field be located at least 660 feet from every exterior boundary of the drilling unit, and the proposed location of the referenced well is only 280 feet from the East line of the 320-acre drilling unit for said well.

On September 21, 2006, the Board issued Order 2006-141 approving an exception to Rule 3(b) of the Special Field Rules for the same Brookshire 20-1 #2 Well at a location 330 feet from the East line of said Section 20. However, due to unstable ground, the location had to be moved to the exception stated above.

BOARD ACTION: Granted 11-30-06 with the stipulation that a directional survey be run to verify the bottom hole location of the well. ORDER NO. E-2006-181